

North Dakota — Schedule NR — Nonresident Filers

Schedule For Allocating Nonresident's Income (Losses) To North Dakota

- All nonresident filers must complete this schedule before completing either Form 37-S or Form 37
- Attach this schedule to either Form 37-S or Form 37
- See instructions on other side of this schedule

➤ If you changed your residence to or from North Dakota during 1998, enter the dates you were a resident of North Dakota:

From _____ To _____

Complete Column A first by entering amounts from federal return. Then complete Column B according to instructions. Complete Column C last by entering difference between Columns A and B.

	COLUMN A Amounts from federal return	COLUMN B North Dakota income (loss)	COLUMN C Other state(s) income (loss)
1. Wages, salaries, tips, etc.	1		
2. Taxable interest (Schedule B, if required)	2		
3. Dividend income (Schedule B, if required)	3		
4. Taxable refunds, credits, or offsets of state and local income taxes	4		
5. Alimony received	5		
6. Business income or (loss) (Schedule C or C-EZ)	6		
7. Capital gain or (loss) (Schedule D)	7		
8. Other gains or (losses) (Form 4797)	8		
9. Taxable amount of IRA distributions	9		
10. Taxable amount of pensions and annuities	10		
11. Rental real estate, royalties, partnerships, S corporations, estates, trusts, etc. (Schedule E)	11		
12. Farm income or (loss) (Schedule F)	12		
13. Unemployment compensation	13		
14. Taxable amount of social security benefits	14		
15. Other income	15		
16. Total income (Add lines 1 through 15)	16		
17. IRA deduction	17		
18. Student loan interest deduction	18		
19. Medical savings account deduction (Form 8853)	19		
20. Moving expenses (Form 3903 or 3903-F)	20		
21. One-half of self-employment tax (Schedule SE)	21		
22. Self-employed health insurance deduction	22		
23. Keogh and self-employed SEP and SIMPLE plans	23		
24. Penalty on early withdrawal of savings	24		
25. Alimony paid	25		
26. Total adjustments (Add lines 17 through 25)	26		
27. Adjusted gross income (Line 16 less line 26)	27		

Enter information from this schedule on your return as follows:

• Form 37-S (Short form) filers

If you are filing Form 37-S, enter the amount from line 27, Column C of this schedule on line 4 of Form 37-S. (See exception below for certain nonresident filers.)

Exception for certain nonresident filers. Do not enter the amount from line 27, Column C of this schedule on line 4 of Form 37-S if both of the following apply: **1.** The amount on line 27, Column C of this schedule is less than zero; and, **2.** The amount on line 27, Column B of this schedule is greater than zero. If both of these conditions apply, you must contact the Office of State Tax Commissioner to obtain Schedule 7 which must be completed to determine the amounts to enter on Form 37-S.

• Form 37 (Long form) filers

If you are filing Form 37:

1. Enter the amount from line 27, Column A of this schedule on line 1A of Schedule 3 (Form 37); and,
2. Enter the amount from line 27, Column B of this schedule on line 1B of Schedule 3 (Form 37).

1998 **Schedule NR** instructions

Who must complete

This schedule must be completed by all nonresident filers and must be attached to either Form 37-S or Form 37. You are a nonresident filer if:

- You were a nonresident of North Dakota for all of the year; **or**
- You changed residence from North Dakota to another state during the year; **or**
- You changed residence to North Dakota during the year and elect to complete the North Dakota return using the nonresident method of filing.

How to complete this schedule

Complete Column A first by filling in the total amounts from your federal income tax return. Complete Column B next according to the specific line instructions that follow. Complete Column C last by filling in the difference between Columns A and B.

Specific line instructions for Column B only—

North Dakota income (loss)

Complete Column B by filling in the portion of the amount shown in Column A that is derived from North Dakota sources, as explained in the following instructions.

Line 1

Include wages, salaries, tips, commissions, bonuses, and other compensation received for services performed in North Dakota while a nonresident, and all compensation received while a resident.

Minnesota resident. Do not include compensation received for work performed in North Dakota while a Minnesota resident if you maintained a permanent home in Minnesota that you returned to at least once each month.

Montana resident. Do not include compensation received for work performed in North Dakota while a Montana resident.

Interstate commerce employee. Do not include compensation received for work performed in North Dakota while a nonresident if the compensation was received for the performance of regularly assigned duties in more than one state for a railroad, trucking company or other interstate motor carrier defined under federal law in 49 U.S.C. 11504.

Lines 2 through 5

Include amounts received or credited to you while a resident. Except as explained below under "Pass-through entity," do not include amounts received or credited to you while a nonresident. Do not include interest from U.S. obligations regardless of residence.

Pass-through entity. Include interest and dividends from a pass-through entity, such as a partnership or S corporation, to the extent they are allocated and apportioned to North Dakota by the pass-through entity on its North Dakota return. Obtain this information from the pass-through entity.

Line 6

Include net income or loss attributable to the portion of a sole proprietorship operated in North Dakota while a nonresident, and net income or loss derived from a sole proprietorship (regardless of where operated) while a resident.

Minnesota resident. If a Minnesota resident, do not include any net income or loss from a personal or professional service business that is eligible for reciprocity treatment.

Lines 7 and 8

Include gains or losses derived from sales or exchanges of tangible property in North Dakota while a nonresident, and from sales or exchanges of all tangible property (regardless of location) while a resident.

Include gains or losses derived from sales or exchanges of intangible property used in a trade or business operated in North Dakota while a nonresident, and from sales or exchanges of all intangible property while a resident.

Pass-through entity. Include gains or losses from a pass-through entity, such as a partnership or S corporation, to the extent they are allocated and apportioned to North Dakota by the pass-through entity on its North Dakota return. Obtain this information from the pass-through entity.

Lines 9 and 10

Do not include any amounts received while a nonresident. Include amounts received while a resident.

Line 11

Include net income or loss from the rental of tangible property in North Dakota received while a nonresident, and net income or loss from the rental of all property received while a resident.

Include royalties and other income from interests in oil, coal, or other mineral property in North Dakota while a nonresident, and income from all mineral property while a resident.

Include ordinary income or loss from a pass-through entity, such as a partnership or S corporation, to the extent it is allocated and apportioned to North Dakota by the pass-through entity on its North Dakota return. Obtain this information from the pass-through entity.

Include income or loss from an estate or trust derived from North Dakota sources, and all income or loss received while a resident. Do not include interest, dividends, or pension or annuity distributions received while a nonresident. Obtain this information from the estate or trust.

Attach a statement on which each source of North Dakota income or loss included on this line is identified.

Line 12

Include net income or loss attributable to the portion of a farm operated in North Dakota while a nonresident, and net income or loss derived from a farm (regardless of where operated) while a resident.

Line 13

Include unemployment compensation received from North Dakota while a nonresident, and all unemployment compensation received while a resident.

Line 14

Do not include any social security benefits received while a nonresident. If a resident for part of the year, complete the following table to compute the amount to include:

1. Total social security benefits shown on federal return
2. Taxable portion of social security benefits shown on federal return
3. Divide line 2 by line 1
4. Amount of social security benefits received while a resident
5. Multiply line 4 by line 3

Line 15

Include other income from North Dakota sources, such as gambling income, received while a nonresident, and all other income received while a resident.

Lines 17 through 25

Include the amounts determined as follows:

- **IRA.** Multiply the amount in Column A by the ratio of North Dakota earned income to total earned income.
- **Student loan interest.** Multiply the amount in Column A by the ratio of total North Dakota income to total federal income.
- **Medical savings account.** Multiply the amount in Column A by the ratio of North Dakota compensation to total compensation.
- **Moving expenses.** Include if the move was into North Dakota. Enter zero if the move was out of North Dakota.
- **Self-employment tax.** Multiply the amount in Column A by the ratio of North Dakota self-employment income to total self-employment income.
- **Self-employed health insurance.** Multiply the amount in Column A by the ratio of North Dakota self-employment income to total self-employment income.
- **Keogh/self-employed SEP and SIMPLE plans.** Multiply the amount in Column A by the ratio of North Dakota self-employment income to total self-employment income.
- **Early withdrawal penalty.** Include only if the related interest income is reported to North Dakota in Column B.
- **Alimony.** Multiply the amount in Column A by the ratio of total North Dakota income to total federal income.